

## REMARKS

Claims 30 and 31 have been editorially amended to correct clerical errors and not to overcome any objections or rejections. Claim 32 is added to the application. The attachment to this Amendment entitled "Version with Markings to Show Changes Made" is a marked-up version of the changes made to the claims. The Applicant has carefully and thoughtfully considered the Supplemental Office Action and the comments therein. For the reasons given below, it is submitted that this application is in condition for allowance.

1. In the Office Action mailed January 30, 2002 on page 2, new formal drawings were requested in response to the Notice of Draftsperson's Patent Drawing Review, Form PTO 948, dated November 2, 1999. In response thereto, a Submission of Formal Drawings is concurrently filed herewith.

2. In the Supplemental Office Action on pages 3-6, claims 1, 3, 5, 9-14, 20-24, and 26 are rejected as being anticipated under 35 U.S.C. § 102(b) by Financial Engines, "Financial Engines to Provide Internet-Based Advice for Individuals," Press Release, February 23, 1998 (hereinafter D1). The Applicant respectfully traverses this rejection.

### Claim 1

As per claim 1, a method is recited for determining at least one financial strategy for assets to meet financial goals. The method comprises the steps of determining an outcome for each of a plurality of financial strategies, and selecting at least one of the financial strategies to

meet the financial goals using a software-implemented decision analysis and the outcomes for the financial strategies.

In rejecting claim 1, the Supplemental Office Action aligns the recited at least one financial strategy with the optimization techniques discussed in paragraph 1 of D1, the recited financial goals with the goal of how much income an individual will need in retirement as discussed in paragraph 4 of D1, and the recited outcome for each of the financial strategies with the described recommendations in paragraphs 2 and 4 of D1. D1, however, fails to teach all of the limitations recited in claim 1 for at least four reasons.

First, D1 fails to teach a **plurality** of financial strategies. As discussed in the specification, for example, on page 6 at lines 22-23, a financial strategy refers to at least one of an investment strategy, an accumulation strategy, and a withdrawal strategy. Instead of teaching a plurality of financial strategies, D1 teaches a **single** financial strategy, namely the specific (i.e., current) investments of the individual. D1, paragraph 4, line 3. Although D1 teaches at least one **financial goal** as a goal of how much income the individual will need in retirement, D1 fails to teach more than one **financial strategy** for achieving this goal. D1, paragraph 4, lines 2-5. D1 does not teach a **plurality** of financial strategies.

Second, D1 fails to teach determining an **outcome** for **each** of a plurality of financial strategies. Instead, D1 teaches determining a **single** outcome for a **single** financial strategy for the individual. Specifically, D1 teaches an outcome of a financial strategy as the likelihood of achieving a financial goal based on the current investment portfolio of the individual. D1, paragraph 4, lines 5-7. D1 teaches calculating the likelihood of achieving the financial goal for the **single** investment portfolio and performing portfolio optimization using statistical methods to optimize the **single** investment portfolio across an efficient frontier. D1, paragraph 1, lines 8-12;

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paragraph 4, line 2-7. D1 does **not** teach determining the likelihood of achieving the financial goal of the individual for **other** possible investments portfolios. D1 only considers the statistics for investments in the **single** portfolio and does **not** consider statistics for other portfolios (i.e., financial strategies, here). D1 fails to teach determining an outcome for each of a plurality of financial strategies.

Third, D1 fails to teach selecting at least one financial strategy to meet the financial goals. In contrast, D1 lacks any teaching related to selecting between various financial strategies. As discussed above, D1 teaches analyzing a **single** financial strategy and provides the analysis to the individual for the **single** financial strategy, which is the individual's current investment portfolio. D1, paragraph 4, lines 2-7. Although D1 teaches providing the individual with recommendations as to the individual's current investment portfolio, these recommendations are **not** the same as selecting between analyzed financial strategies. D1, paragraph 2, lines 1-3; paragraph 4, lines 7-10. D1 does **not** teach selecting at least one financial strategy from a plurality of financial strategies but instead teaches making recommendations with respect to the **single** financial strategy, namely the individual's current investment portfolio.

Fourth, D1 fails to teach selecting at least one financial strategy using the outcomes for the financial strategies. As discussed above, D1 fails to teach selecting at least one financial strategy and further fails to teach determining outcomes for each of a plurality of financial strategies. Hence, D1 fails to teach selecting at least one financial strategy **using outcomes** from **each** of the **plurality** of financial strategies. Therefore, D1 fails to teach the limitations recited in claim 1, and claim 1 is allowable.

Claims 3, 5, 9-14, 20-24, and 26 are dependent from claim 1 and are allowable as being dependent from an allowable claim.

Claim 3

Further, claim 3 recites that determining the outcomes for each of the plurality of financial strategies comprises using a time series data base of rates of return for each of the financial strategies. D1 fails to teach using a time series database of rates of return. Further, nowhere in D1 are the phrases “time series database” or “rates of return” used. Although, D1 teaches determining a likelihood of achieving a financial goal for a financial strategy of a current investment portfolio, D1 provides **no** details as to how the likelihood of achieving the goal is determined. D1, paragraph 4, lines 5-7. Moreover, as discussed above for claim 1, D1 only teaches analyzing a **single** financial strategy and not a plurality of financial strategies. D1, paragraph 4, lines 5-7. Hence, claim 3 is allowable.

Claim 5

As per claim 5, the Supplemental Office Action makes an improper rejection. Claim 5 is dependent from claim 4, which is dependent from claim 1. Although the Supplemental Office Action asserts that claims 1 and 5 are anticipated by D1, the Supplemental Office Action does **not** assert that claim 4 is anticipated by D1. Instead, on pages 10-11, the Supplemental Office Action asserts that claim 4 is obvious in light of D1 with an additional document. Hence, the Supplemental Office Action has failed to set forth a proper rejection of claim 5.

Further, Claim 5 recites that selecting at least one of the financial strategies comprises selecting the financial strategy having a highest utility. D1 fails to teach the limitations recited in

this claim. Because D1 fails to teach selecting at least one financial strategy, as discussed above for claim 1, D1 fails to teach selecting a financial strategy having a highest utility. Further, D1 fails to have any discussion regarding a “utility” of a financial strategy or even how to select one having a “highest utility.” Moreover, D1 fails to teach any type of decision theory, let alone the multi-attribute utility theory recited in claim 4. In fact, the Office Action correctly asserts on page 10 that D1 fails to teach multi-attribute utility theory. Hence, claim 5 is allowable.

#### Claim 9

Claim 9 recites that selecting at least one of the financial strategies comprises using financial preferences provided by an investor. D1 fails to teach the limitations in this claim. As discussed in the specification, for example, on page 31 at lines 15-16, information regarding an investor can be in three categories namely investor financial preferences, investor assets, and investor personal data. The financial preferences of an investor are discussed in the specification, for example, on page 31 at line 21 to page 33 at line 7. Investor assets are discussed in the specification, for example, on page 33 at lines 8-21. Investor personal data is described in the specification, for example, on page 33 at line 22 to page 34 at line 2. As can be appreciated, financial preferences of an investor are different from the assets of an investor and personal data of an investor. Although D1 teaches obtaining asset information and personal information from an individual, D1 has no teachings as to obtaining financial preferences from an individual. D1, paragraph 4, lines 2-5. Hence, claim 9 is allowable.

Claim 10

Claim 10 recites that selecting at least one of the financial strategies comprises using input provided by a financial planner. D1 fails to teach the limitations in this claim. Because D1 fails to teach selecting at least one financial strategy from a plurality of financial strategies as discussed above for claim 1, D1 fails to teach using input provided by a financial planner as part of selecting at least one financial strategy. Although D1 teaches using input from an experienced team with expertise and using expert advice, D1 has no teaching that this expertise and expert advice is used to select at least one financial strategy from a plurality of financial strategies. D1, paragraph 2, lines 6-10; paragraph 5, lines 4-6. Hence, claim 10 is allowable.

Claim 11

Claim 11 recites that selecting at least one of the financial strategies comprises using a combination of financial preferences provided by an investor and input provided by a financial planner. The Applicant notes that the recited combination of investor financial preferences and financial planner input is a tested and validated aspect of the invention. D1, however, fails to teach the limitations recited in this claim. As discussed above for claim 9, D1 fails to teach using financial preferences, and as discussed above for claim 10, D1 fails to teach using input provided by a financial planner. Moreover, D1 fails to teach using a combination of financial preferences provided an investor and input provided by a financial planner. In addition, D1 fails to use such a combination to select at least one financial strategy from a plurality of financial strategies. Hence, claim 11 is allowable.

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Claim 12

Claim 12 recites that selecting at least one of the financial strategies comprises selecting a financial strategy using a heuristic based on preferences of an investor as to the financial goals. D1 fails to teach the limitations recited in this claim. Because D1 fails to teach selecting at least one financial strategy, as discussed above for claim 1, D1 fails to teach selecting a financial strategy using a heuristic based on preferences of an investor. Further, as discussed above, for claim 9, D1 fails to teach using preferences of an investor as to financial goals. Moreover, D1 fails to use the phrase “heuristic” or even to describe an equivalent that can be used to select a financial strategy from a plurality of financial strategies. Hence, claim 12 is allowable.

Claim 13

Claim 13 recites that selecting at least one of the financial strategies comprises selecting a financial strategy using a heuristic based on financial variables related to the financial strategies. D1 fails to teach the limitations recited in this claim. Because D1 fails to teach selecting a financial strategy from a plurality of financial strategies, as discussed above for claim 1, D1 fails to teach selecting a financial strategy using a heuristic based on financial variables related to the financial strategies. As discussed above for claim 12, D1 fails to use the phrase “heuristic” or even discuss an equivalent for use in selecting a financial strategy from a plurality of financial strategies. Hence, claim 13 is allowable.

Claim 14

Claim 14 recites that selecting at least one of the financial strategies comprises selecting a financial strategy using a heuristic based on preferences of an investor as to the financial goals,

financial variables related to the financial strategies, and utility scores determined for the financial strategies. D1 fails to teach the limitations in this claim. Because D1 fails to teach selecting at least one financial strategy from a plurality of financial strategies, as discussed above for claim 1, D1 fails to teach selecting a financial strategy as recited in claim 14. Further, as discussed above for claim 12, D1 fails to teach using a heuristic based on preferences of an investor as to financial goals. Moreover, as discussed above, for claim 13, D1 fails to teach using a heuristic based on financial variables related to the financial strategies.

In addition, D1 lacks any discussion of utility scores determined for each of the financial strategies. In rejecting claim 14, the Office Action apparently aligns the recited utility scores with calculating a likelihood of achieving a goal for a single financial strategy, namely the current investment portfolio of an individual, in D1. D1, paragraph 4, lines 5-7. However, the likelihood of achieving a goal of D1 is **not** the same as the recited utility score. As discussed in the specification, a likelihood of success, for example, is one component of a utility score. For example, on page 27 at line 23 to page 28 at line 5, and on page 46 at line 15-18, the likelihood of success 44 in Figure 10 is a component of the utility score 76 in Figure 10. As can be appreciated, although D1 teaches determining a likelihood of achieving a goal for an individual's current investment portfolio, D1 fails to teach determining a utility score. Hence, claim 14 is allowable.

#### Claim 21

Claim 21 recites the further step of providing a questionnaire for an investor, where the questionnaire is for determining preferences of the investor as to the financial goals. D1 fails to teach the limitations in this claim. As discussed above for claim 9, although D1 teaches



determining an individual's assets and an individual's personal data, D1 fails to teach determining preferences of an individual as to financial goals. D1, paragraph 4, lines 2-5. Hence, claim 21 is allowable.

#### Claim 22

Claim 22 is dependent from claim 21 and is allowable for the reasons discussed above for claim 21.

#### Claim 23

Claim 23 recites the further step of creating a report describing determining an outcome, selecting at least one of the financial strategies, and the selected at least one financial strategy. D1 fails to teach the limitations recited in this claim. Because D1 fails to teach determining an outcome for each of the financial strategies, as discussed above for claim 1, and fails to teach selecting at least one of the financial strategies from a plurality of financial strategies, as discussed above for claim 1, D1 fails to teach creating a report describing these steps and the selected financial strategy. Although D1 discusses providing financial analysis, forecasts, recommendations and individualized updates for an individual's portfolio, D1 does **not** teach creating a report describing how the outcomes recited in claim 1 are determined, how at least one financial strategy is selected as recited in claim 1, and at least one selected financial strategy. D1, paragraph 2, lines 1-3; paragraph 4, lines 7-10. Hence, claim 23 is allowable.

#### Claim 24

Claim 24 is dependent from claim 23 and is allowable as being dependent from claim 23.

3. In the Supplemental Office Action on page 7, claim 27 is rejected under 35 U.S.C. § 102(e) as being anticipated by “Where does my Forecast come from? And interview with Bill Sharpe,” Financial Engines, Inc. (hereinafter D2). Applicant respectfully traverses this rejection.

Initially, it is noted that claim 27 is rejected under an inappropriate sub-section of 35 U.S.C. § 102. Section 102(e) of the patent statute is for rejecting an invention based on a patent application to another or a patent to another. D2 is **neither** a patent application **nor** a patent. Hence, the Supplemental Office Action has failed to reject claim 27 under an appropriate section of the patent statute.

Claim 27 recites a method for determining at least one financial strategy for assets to meet financial goals. The method comprises determining an outcome for each of a plurality of financial strategies using a plurality of Monte Carlo simulations for each of the financial strategies, and selecting at least one of the financial strategies to meet the financial goals using the outcomes for the financial strategies.

In rejecting claim 27, the Supplemental Office Action asserts that D2 teaches the claimed invention without providing any details as to which page and line numbers of the article aligned with the limitations of the claim. D2, however, fails to teach the limitations of claim 27 for at least four reasons.

First, D2 fails to teach a plurality of financial strategies. Although D2 teaches the recited financial goals as retirement goals, D2 fails to teach a plurality of financial strategies. D2, page 1, lines 7-10; page 2, lines 25-28. Instead, D2 teaches analyzing a **single** financial strategy. D1, page 1, line 32, to page 2, line 3; page 2, lines 31-34 and 38-45. D2 analyses a **single** financial strategy at a time and does **not** analyze a plurality of financial strategies at once.

Second, D2 fails to teach determining an outcome for each of a plurality of financial strategies. In contrast, D2 teaches determining an outcome for single financial strategy. D2, page 1, line 32, to page 2, line 3; page 2, lines 31-34 and 38-45. D2 teaches the outcome for the single strategy as the likelihood of reaching the retirement goals based on the parameters input by the user. D2, page 2, lines 31-34. Hence, D2 fails to teach determining an outcome for each of a plurality of financial goals.

Third, D2 fails to teach using a plurality of Monte Carlo simulations for each the financial strategies. Instead, D2 teaches using a single set of Monte Carlo simulations for the single financial strategy of the user. D2, page 2, lines 7-10, 14-17 and 25-28. The system of D2 is capable of performing Monte Carlo simulations for a single financial strategy. If the user desires to have the system of D2 analyze more than one financial strategy at a time, the system of D2 is incapable of doing this. Instead, the user must manually adjust the parameters of the financial strategy, per the four sliders of D2, and have the system of D2 run the Monte Carlo simulations for the new adjusted financial strategies. D2, page 2, line 38, to page 3, line 8. Hence, D2 fails to teach using a plurality of Monte Carlo simulations for each of the financial strategies.

Fourth, D2 fails to teach selecting at least one financial strategy to meet the financial goals using the outcomes for the financial strategies. Because D2 fails to analyze more than one financial strategy at a time, the system of D2 is incapable of selecting one of a plurality of financial strategies. Although D2 teaches recommending particular funds, such as bond funds, equity funds, and international funds, these recommendations are not based on outcomes from a plurality of financial strategies, which were determined using a plurality of Monte Carlo simulations for each financial strategy. D2, page 1, lines 7-10; page 3, lines 9-15.

Further, the use of the phrase “tradeoff engine” in D2 is misleading. D2, page 3, lines 5-8. The engine of D2 does **not** tradeoff anything. The system of D2 is devoid of any technique to select among financial strategies, and the only trading off performed is in the mind of the user. The “tradeoff engine” of D2 presents different alternatives for the user to evaluate, where each alternative is presented one at a time and in response to tweaks of variables by the user. D2, page 3, lines 5-8; page 2, lines 41-45. The user performs the tradeoff analysis, not the engine of D2. Hence, D2 fails to teach selecting at least one financial strategy using the outcomes for the financial strategies. Thus, claim 27 is allowable.

4. In the Supplemental Office Action on pages 7-8, claim 29 is rejected under 35 U.S.C. section 102(e) as being anticipated by “Risk Slider: What does the risk number mean?” Financial Engines (hereinafter D3). The Applicant respectfully traverses this rejection.

Initially, it is noted that claim 29 is rejected under an inappropriate sub-section of 35 U.S.C. § 102. Section 102(e) of the patent statute is for rejecting an invention based on a patent application to another or a patent to another. D3 is **neither** a patent application **nor** a patent. Hence, the Supplemental Office Action has failed to reject claim 29 under an appropriate section of the patent statute.

Further, it is unclear if the Supplemental Office Action is rejecting claim 29 based on D3, the Financial Engines website, or a combination of D3 and the Financial Engines website. If the rejection made by the Supplemental Office Action is based on the Financial Engines website, this rejection is inappropriate because (1) no documentation is provided regarding the Financial Engines website and (2) the current Financial Engines website has a publication date **2002**, which is **after** the filing date of the application, namely September 9, 1999. Moreover, if the

rejection is based on a combination of D3 and the Financial Engines website, the rejection is improper as being under section 102 of the patent statute. Hence, to be responsive to the Supplemental Office Action, it is assumed that the rejection is based solely on D3.

Claim 29 recites a computer system for determining a least one financial strategy for assets to meet financial goals. The computer system comprises means for storing investor information, means for storing a plurality of financial strategies, a software-implemented projection engine for determining an outcome for each of the financial strategies using the investor information, a software-implemented preference model incorporating the investor information, means for determining a score for each of the financial strategies using the preference model and the outcomes from the projection engine, and means for selecting at least one of financial strategies based on the scores for the financial strategies.

In rejecting claim 29, the Supplemental Office Action sites D3 in its entirety and fails to align the specific limitations of claim 29 with the page and line numbers in D3. D3, however, fails to teach almost every limitation recited in claim 29. Although D3 apparently teaches storing investor information as storing the total household portfolio of the user, D3 lacks any teaching of the remaining limitations in the claim. D3, lines 1-3.

First, D3 fails to teach storing a plurality of financial strategies. Instead, D3 stores a **single** financial strategy, namely the current portfolio of the user. D3, lines 1-3, 10-12. Hence, D3 fails to teach a plurality of financial strategies.

Second, D2 fails to teach determining an outcome for each of the financial strategies using the investor information. Although D3 teaches evaluating the **single** total household portfolio of the user, D3 fails to teach evaluating other portfolios. D3, lines 10-12. Hence, D3 fails to teach determining an outcome for each of the financial strategies.

Third, D3 fails to teach a software-implemented preference model incorporating the investor information. Although D3 teaches obtaining information on the total household portfolio of the user, D3 fails to teach implementing a software-implemented preference model incorporating the investor information D3, lines 1-3. Hence, D3 fails to teach a software-implemented preference model.

Fourth, D3 fails to teach determining a score for each of the financial strategies using the preference model and the outcomes. Although, D3 teaches that the single total household portfolio is evaluated and assigned a risk range, the risk range is not the same as a score. D3, lines 6-9, 12-14, and 20-21. The range of values in the risk slider of D3 is not the same as a score having a single value. Further, although the range of values on the risk slider are based on an evaluation of single financial strategy, the range of values on the risk slider are not determined using a preference model. Hence, D3 fails to teach determining a score for each financial strategy using a preference model and outcomes.

Fifth, D3 fails to teach selecting at least one financial strategy based on the scores for the financial strategies. Because D3 evaluates evaluate a single financial strategy namely the total household portfolio of the user, the system of D3 can not be used to select from among a plurality of financial strategies. Further, because, D3 does not teach determining a score as recited, D3 cannot be used to select a financial strategy on such a score. Hence, D3 fails to teach selecting at least one financial strategy based on the scores for the financial strategies. Thus, claim 29 is allowable.

5. In the Supplemental Office Action on pages 9-10, claim 2 is rejected under 35 U.S.C § 103(a) as being unpatentable over D1 in view of D2. The Applicant respectfully traverses this rejection.

Claim 2 is dependent from claim 1 and is allowable as being dependent from an allowable claim.

Further, claim 2 recites that determining the outcomes comprises performing a plurality of Monte Carlo simulations for each of the financial strategies. As claim 2 recites limitations similar to those recited in claim 27, D2 fails to teach the limitations recited in claim 2 for the same reasons discussed above for claim 27. Further, D1 fails to overcome the deficiencies of D2. Hence, claim 2 is allowable.

6. In the Supplemental Office Action on pages 10-11, claims 4-8 and 28 are rejected under 35 U.S.C. § 103(a) as being unpatentable over D1 in view of A. Winston, "Efficient Selection of Suppliers over the Internet," Journal of Management Information Systems, Spring 1997 (hereinafter Winston). The Applicant respectfully traverses the rejection.

Claims 4-6 and 8 are dependent from claim 1 and are allowable as being dependent from an allowable claim.

#### Claim 4

Further, claim 4 recites that the software-implemented decision analysis uses multi-attribute utility theory (hereinafter MAUT). In rejecting claim 4, the Supplemental Office Action correctly asserts that D1 fails to teach using MAUT. To overcome the deficiencies of D1, the Supplemental Office Action relies on the teaching of Winston. The Supplemental Office

Action asserts that Winston uses MAUT for financial decisions over the Internet and refers to page 7 at paragraph 4 of Winston. This citation to Winston, however, refers to certain propositions I and II and cites the appendix. It is unclear how this citation teaches MAUT for financial decisions.

In reviewing Winston, it is noted that Winston teaches employing MAUT to make a decision in a hypothetical problem as to the selection of a best supplier, where the hypothetical problem concerns searching for a value-added reseller to set up local area networks (LANs) with servers and Internet connectivity. Winston, Abstract; page 5 of 14, paragraph 1, lines 1-5. Winston suggests two approaches for addressing the hypothetical problem, namely a “willingness-to-pay” approach (Winston, page 5 of 14, paragraph 5, to page 6 of 14, paragraph 2) and a MAUT approach (Winston, page 6 of 14, paragraphs 3-5).

Although Winston poses the hypothetical problem of selecting the best supplier based on suppliers available via the Internet and teaches a MAUT approach, Winston neither teaches nor fairly suggests using a **software-implemented** MAUT. Winston, Abstract; page 2 of 4, paragraphs 1-3. Instead, Winston theorizes as to how MAUT would affect the evaluation of the suppliers. Winston, page 6 of 14, paragraph 5. Further, by theorizing how MAUT would be applied to the hypothetical problem, Winston arrives at suggestions for making the selection of the best supplier more efficient, but **none** of these suggestions by Winston include using MAUT **to select a financial strategy** or using a **software-implemented** MAUT. Winston, page 8 of 14, paragraph 6, to page 9 of 14, first full paragraph.

On page 11 in the first full paragraph at the beginning of the first sentence, the Supplemental Office Action asserts that MAUT is one of many techniques used in multi-decision making processes whereby user preferences are considered. The Applicant does not object to



this statement. In the remainder of the first sentence in the first full paragraph on page 11, the Supplemental Office Action asserts that MAUT is a technique attributed to the evaluation of future financial gain or loss over a period of time. The Applicant takes exception to this statement and respectfully asserts that MAUT has, to the best knowledge of the Applicant, never been employed in making a financial decision, as was discovered by the inventors.

Moreover, the Applicant respectfully asserts that using MAUT is generally performed on a one-time basis, as in Winston, and has rarely, if ever, been suggested to be used in a continual application format, such as discovered by the inventors. In contrast to this common use of MAUT on a one-time basis, the invention codifies a specific set of utility equations and functions corresponding to a desired application for systematic re-use with the desired application. Further, the Applicant constructed a prototype of the invention for systematic re-use, tested the prototype across a broad range of users, and found the inventive prototype to be valid.

The Supplemental Office Action has failed to set forth a prima facie case of obviousness for rejecting claim 4 for at least two reasons. First, Winston fails to teach a software-implemented MAUT. Instead, Winston teaches employing MAUT in a theoretical manner to predict how buyers could best select from a pool of suppliers known via the Internet. Winston, Abstract; page 2 of 4, paragraphs 1-3; page 6 of 14, paragraph 5. Winston does not teach implementing MAUT in software and instead theorizes on how a MAUT-based approach affects solving the posed hypothetical problem. Hence, Winston fails to teach a software-implemented MAUT.

Second, although Winston teaches using MAUT, Winston fails to teach using MAUT in the context of selecting a financial strategy. Winston, page 6 of 14, paragraphs 3-5. Prior to the invention by the inventors, the Applicant respectfully asserts that the use of MAUT for selecting

a financial strategy has never been employed. Making the leap of employing MAUT for selecting a supplier, as postulated by Winston, to selecting a financial strategy is neither taught nor fairly suggested by Winston. Hence, Winston fails to overcome the deficiencies of D1, and claim 4 is allowable.

#### Claim 5

Claim 5 recites that selecting at least one of the financial strategies comprising selecting the financial strategy having a highest utility. As discussed above for claim 4, Winston fails to teach or fairly suggest selecting a financial strategy based on MAUT. Further, Winston fails to teach or fairly suggest selecting a financial strategy having a highest utility using MAUT. Hence, claim 5 is allowable.

#### Claim 6

Claim 6 recites that selecting at least one of the financial strategies comprises the following steps: determining a goals hierarchy for the financial goals; determining attributes for the financial goals; determining a single utility function for each attribute; determining a weight for each attribute; determining a weight for each financial goal; and determining a utility score for each strategy by using the outcomes, the single-utility functions, the weights for the attributes, and the weights for the financial goal.

In rejecting claim 6, the Supplemental Office Action fails to set forth where each limitation recited in claim 6 is taught by D1 or Winston. Instead, the Supplemental Office Action asserts that Winston generally teaches limitations in claim 6 and apparently references

page 5 of 14, paragraph 5. However, as discussed above, this citation to Winston fails to teach MAUT, as well as the limitations recited in claim 6.

Additionally, although Winston teaches MAUT as applied theoretically to a hypothetical supplier selection problem, Winston fails to teach applying MAUT to a financial-type problem. Winston, page 6 of 14, paragraphs 3-5. Specifically, Winston fails to teach a goals hierarchy of financial goals, attributes for financial goals, single-utility functions for attributes of the financial goals, weights for the attributes of the financial goals, weights for each financial goal, and determining a utility score for each financial strategy using the outcomes, the single-utility functions, the weights for the attributes, and the weights for the financial goals. Winston fails to provide any teachings as to how to apply MAUT to selecting a financial strategy. Hence, claim 6 is allowable.

#### Claim 7

Claim 7 recites that the financial goals, the attributes, the single utility functions, and the weights for the attributes in claim 6 are determined using input provided by a financial planner.

First, as discussed above for claim 6, Winston fails to provide any teachings as to how to apply MAUT to selecting a financial strategy. Similarly, Winston fails to teach the limitations in claim 7.

Second, as discussed above for claim 10, D1 fails to teach using input provided by a financial planner, and Winston fails to overcome this deficiency. Hence, claim 7 is allowable.

### Claim 8

Claim 8 recites that the weights for the financial goals are determined using financial preferences from an investor, input provided by a financial planner, or a combination of financial preferences provided by an investor and input provided by a financial planner. The combination of D1 and Winston fails to teach the limitations of claim 8 for a number of reasons.

First, as discussed above for claim 6, Winston fails to provide any teachings as to how to apply MAUT to selecting a financial strategy. Similarly, Winston fails to teach weights for financial goals as recited in claim 8.

Second, claim 8 recites limitations similar to those recited in claim 14. For the same reasons discussed above for claim 11, D1 fails to teach financial preferences provided by an investor and/or input provided by a financial planner. Moreover Winston fails to overcome the deficiencies of D1.

Third, neither D1 nor Winston nor their combination teaches using financial preferences provided by an investor and/or input provided by a financial planner to determine weights for financial goals. Hence, claim 8 is allowable.

### Claim 28

Claim 28 recites a method for determining at least one financial strategy for assets to meet financial goals. The method comprises determining an outcome for each of a plurality of financial goals using a plurality of Monte Carlo simulations for each of the financial strategies, and selecting at least one of the financial strategies to meet the financial goals using software-implemented MAUT. Claim 28 is allowable over the combination of D1 and Winston for at least three reasons.

First, claim 28 recites limitations similar to those recited in claim 1 and is allowable for the same reasons discussed above for claim 1.

Second, claim 28 recites limitations similar to those recited in claim 4 and is allowable for the same reasons discussed above for claim 4.

Third, the two-way combination of D1 and Winston fails to teach determining an outcome for each financial strategy using a plurality of Monte Carlo simulations for each financial strategy. Although D1 teaches calculating a likelihood of achieving a goal with a current investment portfolio, D1 fails to teach using Monte Carlo simulations to determine the likelihood of achieving the goal. D1 paragraph 4, lines 5-7. Winston fails to overcome the deficiencies of D1, and neither D1 nor Winston teaches Monte Carlo simulations for financial strategies. Hence, claim 28 is allowable.

7. In the Supplemental Office Action on pages 11-12, claims 16-19 are rejected as being unpatentable over D1 in view of “Analyzing your portfolio,” Financial Engines (hereinafter D5). Applicant respectfully traverses this rejection.

Claims 16-19 depend from claim 1 and are allowable as being dependent from an allowable claim.

#### Claim 16

Further, claim 16 recites that each financial strategy comprises an asset allocation, a product mix, and a likelihood for success achieving at least one of an investment of assets, an accumulation of assets, and a withdrawal of assets. In rejecting claim 16, the Supplemental Office Action correctly asserts that D1 fails to teach an asset allocation. To overcome the

deficiencies of D1, the Supplemental Office Action relies on the teachings of D5 for teaching an asset allocation. The two-way combination, however, fails to teach the limitations recited in claim 16.

Although D1 teaches calculating a likelihood of achieving a goal (D1, paragraph 4, lines 5-7) and D5 teaches a portfolio divided into asset classes of small growth stocks, cash, and bonds (D5, sole figure), neither D1 nor D5 teaches **a product mix**. Product mix is discussed in the specification, for example, on page 10 at line 19 to page 11 at line 21. Neither D1 nor D5 teaches a product mix. Hence, claim 16 is allowable.

#### Claim 17

Claim 17 is dependent from claim 16 and is allowable as being dependent from an allowable claim.

#### Claim 18

Claim 18 is dependent from claim 16 and is allowable as being dependent from an allowable claim. Moreover, claim 18 recites that the product mix comprises a mix of at least one of a mutual fund and a variable annuity. As discussed for claim 16, neither D1 nor D5 teaches a product mix. Moreover, neither D1 nor D5 teaches a product mix comprising a mix of at least one of a mutual fund a variable annuity. Hence, claim 18 is allowable.

#### Claim 19

Claim 19 recites that at least one financial strategy includes at least one of the following:

periodic withdrawal; inflation adjustment; minimal required distributions; an ordered withdrawal strategy based on tax characteristics of the assets; an ordered annuity purchase strategy based on tax characteristics of the assets; periodic tax adjustment; periodic shifting of asset allocations; periodic rebalancing of assets to align with a current asset allocation; re-investment of excess annuity payments; reinvestment of excess minimal required distributions; investor contributions; asset management fees; staggered investor account starts; and MRD mortality rules.

Neither D1 nor D5 teaches any of the features recited in claim 19. Although D1 teaches a financial strategy as the current investment portfolio of the individual, D1 fails to teach that the current investment portfolio of the individual contains any of the features recited in claim 19. Moreover, although D5 teaches a portfolio divided into asset classes, D5 fails to teach that the portfolio includes any of the features recited in claim 19. D5, sole figure. In addition, the combination of the two references neither teaches nor fairly suggests any of the features recited in claim 19. Hence, claim 19 is allowable.

8. In the Supplemental Office Action on pages 12-13, claim 25 is rejected as being unpatentable over D1 in view of U.S. Patent No. 5,903,881 to Schrader et al. The Applicant respectfully traverses this rejection.

Claim 25 is dependent from claim 1 and is allowable as being dependent from an allowable claim.

9. In the Supplemental Office Action on pages 13-14, claims 30 and 31 are rejected as being unpatentable over “Financial Engines’ Investment Advisor™ Now Available for 401(k)

Plan Participants,” Financial Engines, October 26, 1998 (hereinafter D7) in view of D4. The Applicant respectfully traverses this rejection.

Claim 30

Claim 30 recites an information storage device embodying a questionnaire for an investor. The questionnaire is for determining at least one financial strategy for assets to meet financial goals. The financial strategy is determined using Monte Carlo simulations of a plurality of the financial strategies and software-implemented decision analysis employing MAUT. The information storage devices comprises: means for querying the investor as to financial preferences of the investor, where the financial preferences are related to the financial goals; means for querying the investor as to assets of the investor; and means for querying the investor as to personal data of the investor. The Monte Carlo simulations use the financial preferences of the investor, the assets of the investor, and the personal data of the investor, and the MAUT uses the financial preferences of the investor.

In rejecting claim 30, the Supplemental Office Action asserts that D7 teaches all of the limitations of claim 30 except for MAUT. To overcome the deficiencies of D7, the Supplemental Office Action relies on the teachings of D4 regarding MAUT. The combination, however, fails to teach the limitations of the claim for at least three reasons.

First, D7 fails to teach querying the investor as to financial preferences of the investor. Although D7 teaches querying the investor as to assets and personal data, D7 fails to teach querying the investor as to financial preferences. D7, page 2 of 4, second full paragraph, lines 3-6. Further, D4 fails to overcome the deficiencies of D7. Hence, the two-way combination fails to teach querying the investor as to financial preferences related to financial goals.



Second, D7 fails to teach a plurality of financial strategies. Instead, D7 teaches simulating a **single** financial strategy based on the user's current financial assets. D7, page 2 of 4, second full paragraph, lines 3-8. D7 fails to teach simulating a **plurality** of financial strategies. Further, D4 fails to overcome the deficiencies of D7. Hence, the two-way combination fails to teach a plurality of financial strategies.

Third, claim 30 recites limitations similar to those recited in claim 4 and is allowable for the same reasons discussed above for claim 4. Hence, claim 30 is allowable.

### Claim 31

Claim 31 recites an information storage device embodying a report for an investor. The report provides information on at least one financial strategy for assets to meet financial goals. The financial strategy is determined using Monte Carlo simulations of a plurality of the financial strategies and software-implemented decision analysis employing MAUT. The information storage device comprises: means for providing information on the Monte Carlo simulations; means for providing information on the MAUT; and means for providing information on the determined at least one strategy.

In rejecting claim 31, the Supplemental Office Action asserts that D7 teaches all of the limitations of claim 31 except for MAUT. To overcome the deficiencies of D7, the Supplemental Office Action relies on the teachings of D4 regarding MAUT. The combination, however, fails to teach the limitations of the claim for at least two reasons.

First, D7 fails to teach Monte Carlo simulation of a plurality of financial strategies. Although D7 teaches taking into account thousands of possible scenarios and determining the percentage chance of reaching a specified retirement goal for a **single** financial strategy, D7 fails

to teach using Monte Carlo simulations for a **plurality** of financial strategies. D7, page 2 of 4, first full paragraph, lines 4-8; second full paragraph, lines 3-8. D4 fails to overcome the deficiencies of D7. Hence, the two-way combination fails to teach Monte Carlo simulation of a plurality of financial strategies.

Second, claim 31 recites limitations similar to those recited in claim 4 and is allowable for the same reasons discussed above for claim 4. Hence, claim 31 is allowable.

10. In the Supplemental Office Action on page 15, claim 15 is objected to as being dependent from a rejected base claim but would be allowable if rewritten in independent form. The Applicant thanks the Examiner for the indication of allowable subject matter. Because claim 15 depends from claim 1, which is allowable as discussed above, claim 15 is likewise allowable. At this time, the Applicant defers placing the claim in allowable form and respectfully requests that the claim be allowed.

11. Claim 32 is added to the application. Claim 32 is dependent from claim 1 and is allowable as being dependent from an allowable claim.

The fee of \$18 is being submitted herewith for one additional claim in excess of twenty. If no check is attached, or if a greater or lesser fee is required, please charge or credit Deposit Account Number 22-0261 accordingly and notify the undersigned.

THEREFORE, because all rejections have been overcome, it is submitted that claims 1-31 are allowable, and such allowance is requested.

Respectfully submitted,

*October 7, 2002*

A handwritten signature in black ink, appearing to read "Michael A. Sartori", is written over a horizontal line.

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**VERSION WITH MARKINGS TO SHOW CHANGES MADE**

**IN THE CLAIMS:**

Claims 30 and 31 are amended as follows:

30. (Amended) An information storage device embodying a questionnaire for an investor, the questionnaire for determining at least one financial strategy for assets to meet financial goals, the at least one financial strategy determined using Monte Carlo simulations of a plurality of the financial strategies and software-implemented decision analysis employing multi-attribute utility theory, the information storage device comprising:

means for querying the investor as to financial preferences of the investor, the financial preferences being related to the financial goals;

means for querying the investor as to assets of the investor; and

means for querying the investor as to personal data of the investor;

wherein the Monte Carlo simulations use the financial preferences of the investor, the assets of the investor, and the personal data of the investor, and the multi-attribute utility theory uses the financial preferences of the investor.

31. (Amended) An information storage device embodying a report for an investor, the report for providing information on at least one financial strategy for assets to meet financial goals, the at least one financial strategy determined using Monte Carlo simulations of a plurality of the financial strategies and software-implemented decision analysis employing multi-attribute utility theory, the information storage device comprising:

means for providing information on the Monte Carlo simulations;

means for providing information on the multi-attribute utility theory; and

means for providing information on the determined at least one strategy.